

Moab District 82 East Dogwood Moab, Utah 84532

3802 (UT-060)

CERTIFIED MAIL-RETURN RECEIPT REQUESTED Certified No. Z 160 737 280

Mr. Ron Pene
Pene Mining
P.O. Box 4017
Grand Junction, Colorado 81502

OCT - 6 1997

Dear Mr. Pene:

On August 4, 1997 we received your Plan of Operations dated July 30, 1997. This plan was submitted in response to a notice of noncompliance issued to you on July 1, 1997. A review of the plan determined that it contains insufficient information upon which to make a determination. By letter dated August 27, 1997, you were informed of deficiencies in your plan and we suggested that a meeting be arranged on the claim group to discuss the issues.

As of the date of this letter, we have not received a response from you to our letter. As we have discussed before both verbally and in writing, the best time to perform reclamation in this area is late October to early November. In order to optimize the chances for success you should be prepared to conduct reclamation operations by the end of October. This will require that you have an acceptable plan submitted to this office for review as soon as possible. Refer to our letter of August 27, 1997 for more information regarding deficiencies in your original plan.

Our letter of August 27, 1997 suggested a meeting to discuss reclamation requirements. We believe such a meeting would greatly facilitate your submittal of and our approval of an acceptable reclamation plan.

As stated in the Notice of Noncompliance issued to Pene Mining on July 1, 1997, reclamation and reseeding must take place by November 1, 1997. If you have not submitted an acceptable reclamation plan by October, 17, 1997, Bureau of Land Management (BLM) will make provisions to perform the reclamation and bill you for the cost.

If you have any questions or wish to set-up a meeting, call Bill Stringer at (801)259-2185.

Sincerely,

/s/ Katherine Kitchell

District Manager

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